EXHIBIT B

TRANSPERFECT

City of New York, State of New York, County of New York

I, Casey Dianni, hereby certify that the attached document is, to the best of my knowledge and belief, a true and accurate translation from Japanese into English.

Casey Dianni

Sworn to before me this
May 1, 2017

Signature, Notary Public

ANGELA LO NOTARY PUBLIC STATE OF NEW YORK NO. 01LO6353549 QUALIFIED IN NEW YORK COUNTY COMM. EXP. 01-30-2021

Stamp, Notary Public

Decided on February 28, 2003. The original delivered on the same day.
Clerk of the Court.
No. 12140 (*wa*) 2006 Copyright Confirmation Case
Conclusion date of oral argument: December 6, 2002.

JUDGMENT

Plaintiff:	Tsuburaya Productions, Co., Ltd.
Attorneys for Plaintiff	Yoshio Mataichi
	Kaori Minami
Defendant:	Sompote Saengduenchai
Attorneys for Defendant:	Junichi Yamazaki
	Takeshi Miwa

HOLDINGS

1. Defendant does not own the copyright in Japan to any of the Copyrighted Works set forth in Exhibit 2.
2. Defendant does not own the copyright to any of the Copyrighted Works set forth in Exhibit 2 in any country outside Japan.
3. Defendant must not state to any third party in Japan that he owns, outside of Japan, the copyright to any of the Copyrighted Works set forth in Exhibit II nor that transactions with Plaintiff outside of Japan with respect to the Copyrighted Works set forth in Exhibit 2 would constitute infringement of Defendant's copyright.
4. All the remainder of Plaintiffs claims are dismissed.
5. One fifth of court costs shall be borne by Defendant and the remainder shall be borne by Plaintiff.

FACTS AND REASONING

I: PLAINTIFFS CLAIMS

1. That Defendant pay to Plaintiff Ten Million Yen plus an amount equal to five percent per annum on said sum from April 25, 1998 until full payment thereof.
2. The same as HOLDINGS 1 above.
3. Confirmation that Defendant owns neither the copyright nor any exploitation right in any country outside Japan as to any of the Copyrighted Works set forth in Exhibit 2.
4. That Defendant must not state to any third party in Japan that he owns, outside of Japan, the copyright or exclusive exploitation rights as to any of the Copyrighted Works set forth in Exhibit 2 nor that transactions with Plaintiff outside of Japan with respect to any of the Copyrighted Works set forth in Exhibit 2 would constitute infringement of Defendant's copyright or exclusive exploitation rights.

II: OUTLINE OF DISPUTE

1. Uncontested Facts.

(1) Plaintiff is a Japanese corporation engaged in, among other things, production and distribution of theatrical and television movies. Defendant is a citizen of the Kingdom of Thailand engaged in, among other things, production of movies in the Kingdom of Thailand.
(2) Plaintiff produced each of the Copyrighted Works set forth in Exhibit II (hereinafter, the "Copyrighted Works") and acquired the copyrights therein.
(3) In the Contract Document attached hereto as Exhibit I (D#4, hereinafter the "Contract Document"), it is stated to the effect that, as of March 4, 1976, Tsuburaya Prod, and Enterprises Company Limited (Representative: Noboru Tsuburaya) grants to Defendant, who was President of Chaiyo Film Company Limited (hereinafter, "Chaiyo"), exclusive and indefinite rights - to distribute, produce, reproduce, etc., the Copyrighted Works in all countries other than Japan.
(4) Plaintiff delivered a letter dated July 23,1996 (D#2, hereinafter, the "Letter")

to Defendant in which it was stated "This letter is to clarify that you have the exclusive rights to exploit certain properties including ULTRAMAN Series and JAMBORG ACE Series in the territories that include THAILAND and in all media that include HOME VIDEO for indefinite period pursuant to LICENSE GRANTING AGREEMENT executed on March 4, 1976 by and between Tsuburaya Enterprises Co., Ltd. (President: Noboru Tsuburaya) and Mr. Sompote Saengduenchai, President of Chaiyo Film Co. Tsuburaya Productions notes that it did not exclude the rights granted to Chaiyo Film, mentioned above, when Tsuburaya Productions executed the worldwide distribution and licensing agent agreement with ULTRACOM, Inc. in September, 1989. It was done purely by accident and was unintentional. ..(omission).. We are also grateful that you had kindly stated you will honor active agreements that have already been concluded between ULTRACOM, Inc. and certain licensees in THAILAND until such agreements expire, without claiming against such licenses in THAILAND, ULTRACOM, Inc. and Tsuburaya Productions."

(5) From and after November 1996, Defendant sent letters to Plaintiffs licensees and sublicenses in Taiwan, Malaysia, Hong Kong, Singapore, and Thailand stating to the effect that Plaintiffs transactions with them infringed Defendant's exclusive exploitation rights set forth in the Contract, and, therefore, lawsuits for injunctions and damages would be instituted if the licensees did not terminate their transactions with Plaintiff. Also, in April 1997, Haldanes, a law firm in Hong Kong, sent letters on behalf of Chaiyo to Bandai Co., Ltd. and Sega Enterprises, which was negotiating a merger with Bandai Co., Ltd., stating that "since Chaiyo owned, or had been granted an exclusive license by Defendant with respect to, the copyrights in the Copyrighted Works, exploitation of the Copyrighted Works by Bandai's subsidiaries in Hong Kong, Singapore, and Thailand would infringe Chaiyo's rights" (hereinafter, the "Warning Letters"); The Warning Letters arrived at the offices of the above companies in Japan (P#1 and 2) around such time.

(6) Defendant maintains that the copyright to the Copyrighted Works in Thailand belongs to Defendant and has instituted criminal and civil actions against Plaintiffs licensees and sublicenses in Thailand based on infringement of Defendant's copyright.

2. This law suit has been instituted by Plaintiff, who alleges that it is the copyright owner of the Copyrighted Works and has not assigned the copyright or granted a license therefor to Defendant, and seeks (i) damages based in tort or on Article 2, paragraph 1, item 14 and Article 4 of the Unfair Competition Law on the ground of interference with Plaintiffs business due to delivery of the Warning Letters in Japan, (ii) confirmation that Defendant does not own the copyright to the Copyrighted Works in Japan, (iii) confirmation that Defendant does not own the copyright nor any exploitation right in any country outside Japan as to any of the Copyrighted Works, and (iv) an injunction pursuant to Article 2, paragraph 1, item 14 and Article 3 of the Unfair Competition Law enjoining Defendant's act of stating to third parties in Japan that Defendant is the owner, outside of Japan, of the copyright or exclusive exploitation rights as to any of the Copyrighted Works or that entering into transactions with Plaintiff outside of Japan with respect to the Copyrighted Works will infringe Defendant's copyright or exclusive exploitation rights.

3. Contested Issues

(1) Whether Defendant owns the copyright or any exploitation rights as to the Copyrighted Works outside Japan.
   A. Whether the governing law on the formation and effect of the Contract Document is Japanese law or Thai law.
   B. Whether the Contract Document was genuinely entered into.
   C. Whether, by the expression of intent contained in the Letter, Plaintiff has confirmed the Contract Document or whether a settlement was reached upon the terms as stated in the Letter. Whether the expression of intent in the Letter was a product of error or fraud, and, supposing that there was an error, whether Plaintiff was grossly negligent in making such expression of intent.

(2) Whether a tort or acts of unfair competition were committed and, if so, whether there were any damages and the amount thereof.

4. Parties' Arguments on the Issues

(1) Regarding Issue (1) A

[Defendant's Arguments]

Under Japanese international private law, when the intent of the parties is unclear, the governing law of a Contract Document shall be the law of the place where the parties acted (Horei, Article 7, paragraph 2). Because there is no express provision on governing law in the Contract, this must be decided through interpretation of the parties' reasonable intent. The governing law of the Contract Document should be Thai law since (i) the most direct and practical rights among the rights provided for in the Contract Document at the time of its conclusion were those in Thailand and it would be reasonable to choose Thai law, (ii) the party who was to exercise the rights thereunder was Defendant who is a Thai citizen, (iii) there was no rational reason or advantage to choose any law other than Thai law or Japanese law as the governing law, and (iv) under the Contract, Japan was excluded from the subject territories where the rights are exercisable.

[Plaintiffs Arguments]

Defendant's arguments are wrong because the drafter of the Contract Document defined the territorial scope of the subject rights as all parts of the world except Japan without limiting it to Thailand, and Defendant actually tried to assert the rights in Taiwan, Hong Kong, Singapore, Malaysia, etc.

Because, according to Defendant's allegations, Noboru Tsuburaya signed and executed the Contract Document in front of Defendant in Tokyo, as regards formation and effect of the Contract, Japanese law should apply in accordance with Article 7, paragraph 2 of Horei as the law of the country where the parties acted.

(2) Regarding Issue (l) B

[Plaintiffs Arguments]

A. For the following reasons, the Contract Document was forged by Defendant and was not genuinely entered into;

(a) The signature in English by Noboru Tsuburaya is not his genuine signature (P#3 and 4).

(b) Plaintiff granted rebroadcasting rights for the Ultraman Copyrighted Works in the United States and other countries, and they were broadcast on television. The Defendant himself acknowledges that the Ultraman Copyrighted Works were the subject of transactions for overseas broadcasting at the Milan Market around 1991. Notwithstanding the foregoing, the Defendant never mentioned the existence of the Contract Document to anyone until 1996, the year following Noboru Tsuburaya's death. Moreover, Defendant never exercised his rights against infringing third parties in Thailand.

(c) A company with the name "Tsuburaya Prod, and Enterprises Co., Ltd" as printed in the Contract Document does not exist. Moreover, letterhead such as that used here would not be used for a contractual document like the Contract.

(d) Although the seal impression of Tsuburaya Enterprises Co., Ltd. (hereinafter, "Tsuburaya Enterprises") appears at the bottom of the Contract, such company did not own the copyright to the Copyrighted Works. Although Plaintiff had authorized Tsuburaya Enterprises to grant on behalf of Plaintiff rebroadcasting rights for Plaintiff s Copyrighted Works inside and outside Japan, the "Ultraman" and "Ultra Q" Copyrighted Works were excluded from such authorization and no authorization whatsoever had been granted with respect to those Copyrighted Works. Moreover, even if authorization as to rebroadcasting rights for those Copyrighted Works had been granted, specific approval procedures were in place for determining potential rebroadcasters for each work as to the broadcasting area, time period and compensation for such broadcasting. Therefore, a grant of rebroadcasting rights in a form such as the Contract Document would be unthinkable.

(e) There are clear mistakes in the titles and number of Ultraman Copyrighted Works stated in Article 1 of the Contract.

(f) In 1976, the year in which the Contract Document was allegedly entered into, Plaintiff already had granted exclusive exploitation rights for the Copyrighted Works outside Japan to its customer Tokyo Broadcasting System Ltd. (hereinafter, "TBS"). Because TBS was granting licenses to other companies based on such exclusive right, it is inconceivable that a contradictory Contract Document like the Contract Document would have been entered into.

(g) The copyright in the Ultraman Copyrighted Works and the exploitation rights based thereon are Plaintiffs sole and largest assets. Therefore, it is unthinkable that Plaintiff should grant such exploitation rights to Defendant without clear compensation.

(h) In and around 1976, Toho Co., Ltd. (hereinafter, "Toho"), which owned 60% of Plaintiffs stock, seconded, on a continuing basis, one standing director and a number of employees to Plaintiff, shareholder meetings and board meetings of Plaintiff were held in Toho's conference room, and the representative's seal of Plaintiff was always kept by Toho. Therefore, a Contract Document like the Contract Document would not have been concluded without the approval of Toho.

B. Even if the seal impression on the Contract Document is the seal impression of Tsuburaya Enterprises, it was procured through the following circumstances.

(a) In and around 1976, Plaintiff authorized Tsuburaya Enterprises to grant rebroadcasting rights inside and outside Japan, and Tsuburaya Enterprises was engaged in the business of licensing rebroadcasting rights to overseas TV stations.

(b) When Tsuburaya Enterprises granted rebroadcasting rights to overseas licensees, films had to be exported and customs clearance was required. Because Tsuburaya Enterprises did not have any employees who could handle complex customs procedures, it would give a professional customs agent several sheets of its blank letterhead with the representative's seal pre-affixed so that whenever a new Contract Document was made, an invoice could be prepared instantly.

(c) Around that time, Defendant frequently visited the office of

Tsuburaya Enterprises in order to discuss the production of theatrical movies, and Tsuburaya Enterprises granted Defendant rebroadcasting rights for Jamborg Ace in Thailand, it is possible that Defendant obtained the above-mentioned blank forms on such an occasion.

[Defendant's Arguments]

A. The grant of the exclusive exploitation rights described in the Contract Document was premised on economic and ethical obligations that Noboru Tsuburaya owed to Defendant, and, therefore, there was clearly consideration for the same.

(a) Plaintiff and Thai Burin Film Co., Ltd., which was managed by Defendant (hereinafter, "Thai Burin "), concluded a film production Contract Document on October 5, 1973, under which Thai Burin produced a movie, "Jumbo A and Giant" (hereinafter, "Defendant-Produced Movie 1") and commissioned Plaintiff to do the filming thereof.

(b) Plaintiff and Chaiyo, which was managed by Defendant, concluded a film production Contract Document on September 3,1974, under which Chaiyo produced a movie, "White Monkey Hanuman and Six Ultra Brothers" (hereinafter, "Defendant-Produced Movie 2") and commissioned Plaintiff to do the filming thereof.

(c) Plaintiff concluded a license agreement on October 14, 1974, without obtaining the permission of either Defendant or Thai Burin, under which a license to sell and distribute Defendant-Produced Movie 1 in the Far East, except for Thailand and Japan was granted to Fu Long Film Company Limited, a Taiwanese movie company, for US$30,000, and received this amount.

(d) Plaintiff concluded a license agreement on February 19, 1975, without obtaining Defendant's permission, under which a license to exhibit Defendant-Produced Movie 2 in certain areas, excluding Thailand, Taiwan, Japan, etc. was granted to Southern Company Limited, a Hong Kong movie company for US120,000, and received this amount.

(e) Defendant continued to allow postponement of payment of the amounts described in (c) and (d) above, and also accorded various other assistance to Plaintiff and Noboru Tsuburaya. Thereafter, since repayment of the amounts described in (c) and (d) above and other assistance was impossible, in lieu thereof and as a birthday gift for Defendant's son, Saengduenchai Perasit (hereinafter, "Perasit"), it was proposed and agreed that the rights in the Ultraman Copyrighted Works be divided into rights in Japan and rights outside Japan, and that the entirety of the rights outside Japan would be acquired by Defendant under the Contract.

B. The signature of Noboru Tsuburaya on the Contract Document was his genuine signature and was written down by him in front of Defendant. The rubber stamps with Tsuburaya Enterprises' name and its representative director's name as well as the seal of the representative director affixed thereon are all genuine, and the Contract Document was genuinely formed.

(a) Since, at the very least, Tsuburaya Enterprises, as a member of Tsuburaya Group, was conducting various licensing activities with respect to rights based on Plaintiffs Copyrighted Works in or around 1976, the year in which the Contract Document was concluded, and because Noboru Tsuburaya was the representative of both Plaintiff and Tsuburaya Enterprises at that time, it is not at all unnatural that the drafter of the Contract Document wrote Tsuburaya Enterprises' name therein, that Noboru Tsuburaya made such company a party to the Contract Document together with Plaintiff, or that he caused the company's rubber stamp, representative director's rubber stamp and representative director's seal to be impressed on the Contract.

(b) The words "Tsuburaya prod, and Enterprise Co., Ltd." appearing in two places in the Contract Document were the result of insertion of "prod, and" into the original text, which read "Tsuburaya Enterprises Co., Ltd." only. Such insertion was made pursuant to Noboru Tsuburaya's instructions to a person referred to as "Sensei," who was the drafter thereof, because there was not enough space to type the full English name of Plaintiff in those two parts of the Contract. The English description of the parties in the Contract Document means Plaintiff and Tsuburaya Enterprises, and was not mistaken.

(c) The description of the titles of the Copyrighted Works in the Contract Document was not mistaken as to identification of the series of Copyrighted Works. In view of the personality of Noboru Tsuburaya, it is not odd that he did not care much about the exact number of the past Copyrighted Works. Also, the Contract Document was drafted by a person called "Sensei" who was neither an employee of Plaintiff nor Tsuburaya Enterprises. Therefore, errors in the number of the Copyrighted Works or title description has no effect on the fact that the Contract Document was genuinely formed.

(d) Noboru Tsuburaya explained to Defendant and other participants at the meeting to execute the Contract Document that (i) he was signing the Contract Document on behalf of Plaintiff, (ii) he was affixing the company seal on behalf of Tsuburaya Enterprises, (iii) he feared that a seal impression alone without a signature would cause doubts as to the genuineness of the Contract Document outside Japan, (iv) the signature of Noboru Tsuburaya, as president of both companies, would eliminate any problem in relation to both companies, and (v) while "Article 3.2" meant the right to produce films using the Ultraman characters in the existing films, "Article 3.3" meant the right to produce films using the Ultraman characters created after the Contract.

(e) Even though Toho held stock in Plaintiff, Plaintiff and Tsuburaya Enterprises were in a difficult situation at the time of the Contract Document and Noboru Tsuburaya was being strongly pressed for repayment of substantial debts. Under such circumstances, it is plausible that he ignored the relationship with Toho and tried to solve problems by entering into the Contract.

C. Plaintiff alleges that, because of the necessity of using an agent to handle customs procedures at the time of exporting films, letterhead of Tsuburaya Enterprises was printed and a number of blank sheets were pre-stamped with the company's name stamp and the representative director's seal of Tsuburaya Enterprises and kept for invoice use. However, such allegation lacks credibility, since the invoice issued by Tsuburaya Enterprises to Plaintiff in 1974 (D#11) was a preprinted form entitled "INVOICE" with column headings for items to be filled out including a description of articles being shipped, it was not using letterhead, and such allegation was made for the first time in this litigation.

(3) Regarding Issue (l) C

[Defendant's Arguments]

A. In 1995, Defendant discovered that Video Square Company Limited was reproducing and selling Ultraman and Jamborg Ace videocassettes in Thailand, and it was established that such company claimed that it had been granted licenses relating to the above products from Ultracom Inc., Plaintiffs subsidiary in the United States (hereinafter, "Ultracom"). On May 20, 1996, Defendant met Kiyotaka Ugawa (hereinafter, "Ugawa"), who was responsible for Plaintiffs overseas business. Ugawa requested that Defendant refrain from instituting a law suit, because Plaintiff and Ultracom would jointly issue an apology letter. Kazuo Tsuburaya also indicated his intent to issue such an apology letter. The Letter was prepared on July 23, 1996 following the events described above and signed by Plaintiff with genuine and voluntary intent. By virtue of the Letter, Plaintiff either reconfirmed the Contract Document to Defendant or, in the alternative, entered into a settlement with Defendant on the terms stated therein.

B. Even if the expression of intent by Plaintiff in the Letter had been made in error, Plaintiff was grossly negligent because Plaintiff conducted almost no investigation into the genuineness of the Contract Document and recklessly believed that the Contract Document was genuinely entered into.

[Plaintiff's Arguments]

A. The Letter was prepared in order to restore Defendant's reputation and premised on Defendant's proposal that Defendant would not act on the Letter as long as Defendant was made an agent for five countries including Thailand, which Plaintiff accepted. Plaintiff should not be bound by the Letter, because Defendant denied such premise making it impracticable.

B. The Letter was prepared subject to the condition that Defendant's allegations that the Contract Document was executed by Plaintiff and binding upon Plaintiff were true. Plaintiff should not be bound by the Letter, since it is now clear that the Contract Document was not executed by Plaintiff nor binding upon Plaintiff and, thus, the conditions precedent to the Letter were not fulfilled.

C. Plaintiff prepared the Letter believing that Defendant's allegations that the Contract Document was executed by Plaintiff and binding upon Defendant were true. Since it is now established that such allegations were false, there was an error in the material elements of Plaintiff's expression of intent and, therefore, it is null and void.

D. Because the expression of Plaintiffs intent in the Letter was made due to Defendant's false statements that the Contract Document was executed by Plaintiff and binding on Plaintiff, it was an expression of intent made as a result of fraud and Plaintiff retracted and nullified such expression of intent on February 11, 1997.

(4) Regarding Issue (2)

[Plaintiffs Arguments]
Because the Contract Document was a forgery and has no validity, it constituted a tort under Article 709 of the Civil Code for Defendant to send the Warning Letters to Plaintiffs customers in Japan alleging that the Contract Document was valid. Moreover, Defendant's acts fall within Article 2, paragraph 1, item 14 of the Unfair Competition Law.

Due to the above acts of Defendant, Plaintiff has suffered serious damage to its business in Japan, with the amount thereof, including legal fees, being not less than 10 million yen.

[Defendant's Arguments]

Defendant denies and contests Plaintiffs arguments.

THIRD: FINDINGS OF THE COURT

1. History
From the uncontested facts and evidence (P#6, 10, 12 through 14, 16, 22 through 24, D#2, 4 through 10,12-1 through 12-9,13-1 through 13-5, 19 through 22, 25, 27 through 30, 33 through 36, 38, 44 through 46, 49 through 52, 59, 69 through 72, 74, 81 through 89, 90, 99 through 102, 104, 113, 115, 121, 132, 133, 135, 138, 147 through 150, Ken-D#5, Testimony of Tsuneyuki Morishima, Kiyotaka Ugawa, Perasit Saengduenchai and Defendant) as well as from the pleadings, the court finds as follows:

(1) History concerning the Contract

A. Defendant came to Japan in or around 1962 and studied motion picture special effects, development, etc., for two years at Toho's studios. During that time, he became acquainted with Eiji Tsuburaya, and thereafter, came to have a close family-type relationship with Noboru Tsuburaya, Eiji's son, and Kazuo Tsuburaya, Noboru's son, such that Kazuo Tsuburaya would come to Defendant's home to visit and Defendant would stay at Noboru Tsuburaya's house.

B. Eiji Tsuburaya died in January 1970. Noboru Tsuburaya succeeded to his business and became representative director of Plaintiff and Tsuburaya Enterprises. The business of these companies was in a difficult condition. Plaintiff and Thai Burin, under Defendant's management, entered into a film production Contract Document on November 26, 1973, under which Thai Burin commissioned Defendant to make Defendant-Produced Movie 1 and paid Plaintiff at least US$15,000 for production costs. Plaintiff produced this movie.

C. Plaintiff and Chaiyo, under Defendant's management, entered into a film production Contract Document on September 3, 1974, under

which Chaiyo commissioned Defendant to make Defendant Produced Movie 2 and paid Plaintiff US$90,000 for production costs. Plaintiff produced this movie.

D. Noboru Tsuburaya concluded a Contract Document with Fu Long Film Company Limited, a Taiwanese movie company, on October 14 of the same year, under which exclusive and indefinite sale rights in the Far East, except for Thailand and Japan, were granted for Defendant Produced Movie 1, and received US$30,000 in consideration therefor. Thai Burin approved this Contract Document after the fact.

E. Noboru Tsuburaya, having been authorized by Chaiyo, concluded a Contract Document with Southern Company Limited, a Hong Kong movie company, on February 19, 1975, under which an exclusive right was granted to exhibit Defendant-Produced Movie 2 in the Far East and Middle East, except for Thailand, Taiwan and Japan, and received US$120,000 in consideration therefor.

F. Defendant came to Japan with his acquaintance, Nicom Sisrat, on March 2, 1976, and demanded payment of the above-mentioned amounts from the films. In response, Noboru Tsuburaya said it was impossible to pay such amounts and proposed, instead, to grant the rights to Ultraman in foreign countries to Defendant. At that time, the monster film boom being over and the economy being sluggish, Plaintiff was heavily in debt.

G. The Contract Document was dated March 4 of the same year, which was Perasit's birthday.

H. Around 1984, Defendant received the film "Ultraman ZOFFY" from Plaintiff: and produced "Hanuman and the Eleven Ultramen." Around that time, Defendant granted distribution rights to the above films to Po Wo Film Company and showed them the Contract. On such occasion, Perasit (then, 13 years old) also saw the Contract.

I. In 1990, Defendant and Perasit went to the Milan Market (an international market for the purchase and sale of movies) and met Tsuneyuki Morishima (hereinafter, "Morishima") who had been working for Tsuburaya Enterprises until 1976.

J. In October of the same year, Plaintiff concluded a worldwide (except Japan) distribution agreement with Ultracom, which Noboru Tsuburaya had established in the United States in the same year, with respect to all theatrical and television Ultraman movies.

(1) History concerning the Letter

A. Noboru Tsuburaya died in 1995 and Defendant attended his funeral.

B. In the same year, Defendant found out that Video Square Company Limited (hereinafter, "Video Square") was reproducing and selling Ultraman and Jamborg Ace videocassettes in Thailand and, through further investigation, that such company maintained that it had been granted the rights with respect to these Copyrighted Works from Ultracom. Then, on December 11th of the same year, Defendant sent a letter through his lawyer to Richard Sigler, counsel of Ultracom, requesting a meeting in Thailand. Having received no answer from Ultracom, on May 9, 1996 another letter was sent stating that a lawsuit would be instituted in the United States for damages of US$24,000,000 unless a response was given within ten days.

Richard Sigler responded thereto on the 16th of the same month that Ultracom was Plaintiff's worldwide distribution agent and that he still had not received any proof that Defendant had any distribution rights.

C. On the 19th of the same month (Sunday), Defendant and Perasit left Thailand for the United States to undertake preparations for the lawsuit against Ultracom, stopped over in Japan on the way, and stayed with one of Defendant's old friend in Tokyo.

D. On the afternoon of the 20th, Defendant and Perasit met Ugawa in Plaintiff's conference room. Ugawa asked Defendant to show him evidence as to the basis of Defendant's claim and Defendant showed him a copy of the Contract Document saying that Defendant had acquired exclusive exploitation rights with respect to the copyright in the Copyrighted Works in all countries except Japan as set forth in the Contract. Defendant also said that when he tried to sell Ultraman videocassettes in Thailand, he was told that the right to grant licenses for these Copyrighted Works belonged to Ultracom and that he had no such right. Because of that, he said his reputation had been damaged in Thailand and he intended to sue Ultracom, but would not do so if Plaintiff, instead, restored Defendant's reputation in Thailand. On that occasion, Ugawa asked for a copy of the Contract, but Defendant refused.

After the conference with Defendant and Perasit, Ugawa reported on the substance of the conference to Plaintiffs representative, Kazuo Tsuburaya, and sent a fax to Ultracom, in which he reported that he had met the Defendant, was shown, but not given, a copy of the Contract, and had prepared a memo on the terms of the Contract.

E. On the following day, the 21st, Ugawa had lunch with Defendant and Perasit at the Capitol Tokyu Hotel and Defendant and Perasit also met with Kazuo Tsuburaya in Plaintiffs conference room. Plaintiff told Defendant and Perasit that Plaintiff and Joe Taritero (hereinafter, "Taritero"), who was the representative of Ultracom, would deliver a joint letter in order to restore Defendant's honor, and that a new Contract Document should be entered into. Defendant and Perasit desisted from going to the United States and, on the 27th of the same month, returned home to Thailand

F. On the following day, the 28th, Ugawa sent a confidential fax to Taritero, relating as follows:

"Sompote Saengduenchai and Pete left Japan to Bangkok yesterday (instead of going to US to file lawsuit against Ultracom and Video Square).
All the misunderstandings we (TPC) had regarding Agreement they had with Noboru in early 1970's were fully discussed amicably and verbally resolved. While they were in Tokyo, at the instruction of Kazuo, I promised them to work out a new 'modified agreement' which supersedes all prior agreements between the parties, plus the letter from Ultracom and TPC acknowledging that Chaiyo City Studios is the original rights owner granted by TPC for Thailand and (a few surrounding countries) of certain TPC Properties. At the same time, I should obtain a formal letter from- Chaiyo City Studios to either TPC or Ultracom or to both our companies stating that Chaiyo City Studio will honor existing Contract Document between Ultracom and Video Square.
Now, here is another matter we should consider with regard to executing such new 'modified agreement' with Chaiyo City Studios. Mr. Sompote Saengduenchai, because of his personal relationship with Tsuburaya family for over 30 years, wishes to execute this agreement with TPC, not with Ultracom. Kazuo, as president of TPC and Chairman of Ultracom, wishes to honor such request and asked me to coordinate with you toward that goal. I would like to hear your opinion and alternative suggestion in order to 'solve these problems' in amicable way."

G. Perasit sent a fax to Ugawa on June 3rd of the same year requesting that a letter from Plaintiff and Ultracom be sent in order to restore Defendant's reputation and honor.

H. On the following day, the 4th, Ugawa sent a fax to Perasit stating that three documents should be exchanged in order to restore Defendant's honor in Thailand:

(a) Plaintiff and Ultracom should send a joint letter addressed to Defendant to Chaiyo City Studio with a copy to Video Square

confirming that Defendant is the holder of rights in certain Copyrighted Works (Tsuburaya's Programs, etc.) in the territory of Thailand (and mention the names of several other countries as discussed in the Tokyo meeting).

(b) A new modified Contract Document should be made between Plaintiff and Chaiyo City Studio in accordance with the discussion at the Tokyo meeting.

(c) Chaiyo City Studio should send to Plaintiff and Ultracom a letter acknowledging receipt of the joint letter from Plaintiff and Ultracom, and further state that it agrees to honor the existing agreements between Ultracom and licensees (including Video Square) in Thailand and other Asian countries.

I. On the following day, the 5th, Perasit sent a fax to Ugawa stating that it would be necessary, to have copies of all agreements in order to be able to maintain accurate records of all the Ultracom licensees.

J. Ugawa sent a fax to Perasit on the 10th of the same month, stating that a copy of the Contract Document would be necessary in order to reflect it in the contracts referred to in 1(b) above, and that he would ask Ultracom to provide copies of the existing contracts with licensees in Thailand, Burma, Vietnam, Laos, and Cambodia. Therefore, Perasit mailed a copy of the Contract Document to Ugawa and Plaintiff received it on June 24th.

K. On July 2nd of the same year, Ugawa sent a fax to Perasit in which he stated that (i) he would draft a joint letter with Taritero addressed to Defendant and obtain the signatures of Taritero and Kazuo Tsuburaya thereon, and (ii) he would prepare and send a draft of the modified new letter agreement between Chaiyo City Studio and Plaintiff honoring most of the terms and conditions expressed in the existing (old) Contract Document for his comments.

In this fax, Ugawa described his visit to the United States as referred to in paragraph L. below as "urgent business."

L. Ugawa went to Honolulu on July 8th, obtained the approval of Mike Ikeda, one of Ultracom's shareholders, to close Ultracom, and met with Taritero on July 9th in Los Angeles, telling him that Ultracom would be closed as of August 15th. On that occasion, Taritero refused to sign the Letter. Ultracom was dissolved on August 15 of the same year as scheduled.

M. Defendant came to Japan on July 14th and conferred with Ugawa. Ugawa said that as Taritero had refused to sign the letter saying he had not done anything wrong, only a letter in the sole name of Kazuo Tsuburaya could be issued.

N. Kazuo Tsuburaya signed the Letter as Plaintiffs representative director on July 23rd of the same year. Plaintiff delivered the Letter to Perasit after it was attested to by the notary public of the Tokyo Legal Affairs Bureau on the 31st of the same month. Defendant received an attestation from the Thai Embassy on August 5th of the same year that the Letter had been genuinely attested to by a notary public.

At the time of the issuance of the Letter, Ugawa explained the history of negotiations to Plaintiffs board members and they approved its issuance.

O. On the following day, the 24th, Ugawa sent a fax to Taritero in which he stated, "As you can see on last paragraph and Sompote's signature on the bottom, Ultracom's customers, Ultracom and TPC are well protected, I believe. We are in the process to execute 'Modified Distribution Agent/Licensing Agent Agreement' that will be executed between TPC and Chaiyo after August 15, 1996. I intend to grant him limited properties, limited territories (5 countries including Thailand) and, very importantly, limited term (perhaps 5 years with options to extend and/or renew)."

P. Perasit sent a fax to Ugawa on July 30th of the same year and asked him to send information on Plaintiffs Copyrighted Works for a forecast of earnings.

Q. Perasit sent a fax to Ugawa on August 26th of the same year, in which he stated:

"It seems that Ultracom, by Mr. Taritero, appointed exclusive licensing agent, including LITTLE GIANT CULTURE ENTERPRISES, in Taiwan. To our knowledge, we were informed by Ultracom that they did not have the rights for neither Taiwan or R.O.C. By doing so, the Thai market is occupied with merchandise from these countries with below standard quality. Also, the "joint letter" hardly helped in regaining Mr. Sompote's recognition or credit since it lacked the signature of Mr. Taritero whom the industry believes to be the legitimate licensor. Worst of all, a firm in Malaysia has been licensing rights in every media to Thailand in the past years, which you did not mention to us before."

R. Perasit sent a fax to Ugawa on the 30th of the same month, and stated again that it was necessary to have information on Plaintiffs Copyrighted Works as soon as possible in order to make progress on the forecast of earnings. Meanwhile, a list of active licensees in Thailand as of May 31 of the same year was sent to Defendant by Plaintiff.

S. Perasit came to Japan around the end of August of the same year and met with Ugawa. On that occasion, Ugawa proposed entering into a Contract Document with Defendant granting an exclusive agency right as to the Ultraman Copyrighted Works in five countries (Thailand, Laos, Vietnam, Cambodia, and Burma), but Perasit refused such proposal.

T. On September 1 of the same year, Plaintiff concluded a license agreement with Bandai granting merchandising rights for the Ultraman Copyrighted Works in nine Southeast Asian countries including Thailand.

U. In October of the same year, Defendant retained John McLellan (hereinafter, "McLellan"), a lawyer with the Haldanes law firm in Hong Kong, and warning letters were sent to three companies, Little Giant Culture Enterprises, Character Merchandising and Juita Baiden.

V. Ugawa met with Defendant in Thailand at the end on October of the same year. On that occasion, Defendant presented Ugawa with a draft Contract Document for a joint venture company.

W. On November 19 of the same year, Plaintiffs' lawyer, Mr. Hayashi, faxed to McLellan a proposed Contract Document under which a license would be granted with respect to the Ultraman Copyrighted Works for the aforementioned five countries.
In response thereto, on the 22nd of the same month, Defendant, through McLellan, faxed a letter to Hayashi in which he rejected the above-mentioned proposal and set out two alternative counter proposals. Hayashi, in turn, faxed a letter to McLellan contesting the validity of the Contract.

X. Ugawa met with Defendant on December 9th of the same year in Thailand. Defendant presented a draft Contract Document to establish a joint venture company, Ugawa again proposed a license agreement for the five counties, and the negotiations broke down.

Y. During the period from July through November of the same year, Defendant received from Plaintiff ME tapes (i.e., Music Effect tapes, which are necessary for producing local language versions) and still photo positives of the Ultraman Copyrighted Works.

(3) Litigation in Thailand, etc.

A. Following the initiation of this litigation, in December 1997, Plaintiff instituted litigation against Defendant and three other parties, claiming that Defendant did not own the copyright to the Copyrighted Works in Thailand, that he had not obtained any license from Plaintiff, and that the Contract Document was forged by him, and sought injunctive and other relief against acts of copyright infringement by Defendant and the other three parties. The same disputes had been pending before the Thai Intellectual Properties and International Transactions Court as criminal cases and civil cases related to criminal cases which rendered a judgment on April 4, 2000

dismissing Plaintiffs claims and complaints in both the criminal and civil cases, and are now pending before the Intellectual Properties and International Transactions Division of the Thai Supreme Court (hereinafter, the "Thai Litigation").

B. In 2001, Defendant held a live show entitled "Ultraman Millennium Live Show in Bangkok."

2. Regarding Issue (1) A

As found below, the Contract Document was entered into between Plaintiff, a Japanese corporation, and Defendant, a Thai citizen, and because there was no governing law provision in the Contract Document and the subject of the Contract Document is the Copyrighted Works in areas outside Japan, but not limited to Thailand, the parties' intent was not clear. Therefore, in accordance with Article 7, paragraph 2 of Horei, the governing law on formation and effect of the Contract Document should be Japanese law, the law of the country where the parties acted.

3. Regarding Issue (l) B

(1) Regarding the circumstances in which the Contract Document was made, Defendant wrote and stated before this court (D#10, Testimony of Defendant) as follows:
When Defendant asked Noboru Tsuburaya on March 2, 1976 at Plaintiffs office to pay back the money he received by selling the films without Defendant's permission, he proposed, 'Although the debts cannot be repaid, instead, the overseas rights to Ultraman will be given." Defendant agreed. Around 4 o'clock in the afternoon of March 3rd, the next day, they discussed the proposal at the office of Tsuburaya Enterprises. The participants of that discussion were four people, Noboru Tsuburaya, a person he called "Sensei," Defendant, and Nicom Sisurrat who was a partner at Chaiyo Film. "Sensei" was a person who was elder than Noboru Tsuburaya, whose eyes were slightly protruding without eyeglasses, and fluent in English. Noboru Tsuburaya had already prepared a draft of the Contract Document in English both in typed and handwritten forms. At that time,

Defendant noticed "HANUMAN" was mistakenly written "HARUMAN" and pointed out the same to Noboru Tsuburaya, but he dismissed such concern saying "People will understand what movie it is." Noboru Tsuburaya in signing the Contract Document said "This Contract Document is a birthday present for Perasit." Just before signing, he pointed out to "Sensei" that the Contract Document was in the name of Tsuburaya Enterprises only and Plaintiff had been left out and instructed him to correct it. Rather than retype it entirely, for convenience, it was corrected by inserting the words "prod, and" within the confines of existing space. "Sensei" took five to ten minutes to finish the job. After that, Noboru Tsuburaya signed in front of Defendant and affixed a round seal and impressed square stamps which were on the table. In executing the Contract, Noboru Tsuburaya explained that he was signing on behalf of Plaintiff as its representative and affixing Tsuburaya Enterprises' seal as its representative director, since he feared that the Contract Document would not be trusted outside Japan if it had only been sealed, and stated that "Because, I am president of both Tsuburaya Enterprises and TPC, my signature will eliminate any problem."

(2) Upon examination of the substance stated in (l) above, Defendant's written and verbal statements realistically describe details as a whole, especially, his explanation that he objected to the mistyping of "HARUMAN," and the history behind how "prod, and" was inserted, with the substance thereof being neither particularly unnatural nor unreasonable. From the findings in 1 above that Defendant was on friendly terms with Noboru Tsuburaya, Noboru Tsuburaya sold licenses for Defendant Produced Movies 1 and 2 and did not give the license fees to Defendant, Plaintiff was heavily in debt, and Noboru Tsuburaya was not able to return the license fees to Defendant, it can be said that there was a motive to conclude the Contract Document

(although Plaintiff asserts that it is unnatural that no IOU was prepared with respect to the license fees, it is not unnatural considering the relationship between Defendant and Noboru Tsuburaya at that time).

(3) From the evidence (P#7, D#4, 9, Ken D#1, 2) and the pleadings, the seal impression of the representative director of Tsuburaya Enterprises on the Contract Document and the seal impression of the representative director's seal of Tsuburaya Enterprises contained in its 1976 registered specimen match each other. Accordingly, the representative director's seal impression on the Contract Document is considered a genuine seal impression of Tsuburaya Enterprises. On this point, Plaintiff alleges that Tsuburaya Enterprises had to export films when it granted rebroadcasting licenses outside Japan and, due to the necessity of completing customs procedures, Tsuburaya Enterprises used to provide its professional customs agents with several blank sheets with the corporate name stamp and representative director's seal pre-affixed so that invoices could be quickly prepared and, since Defendant frequented Tsuburaya Enterprises' office to discuss production of theatrical movies, etc., and Tsuburaya Enterprises had granted Defendant rebroadcasting rights for television movies in Thailand, it was possible that Defendant obtained such a form. However, even if invoices as alleged by Plaintiff were being used around 1976, according to the evidence (D#106, 107, Testimony of Tsuneyuki Morishima), there were invoices issued by Tsuburaya - Enterprises around 1976 different from what Plaintiff alleges, it is questionable to what extent forms as alleged by Plaintiff were being used, and there is no evidence that Defendant obtained such a form (even though Tsuburaya Enterprises granted Defendant rebroadcasting rights for television movies in Thailand, there is no evidence that an invoice in the form alleged by Plaintiff was used for that purpose). Since great care is normally taken with respect to documents like the Contract Document on which the registered representative's seal is affixed

(and, in actual fact, according to the evidence (P#11, Testimony of Tsuneyuki Morishima), the representative director's seal was kept in a locked safe at Tsuburaya Enterprises), this court believes that it would generally be difficult to obtain such a document and use it for an unauthorized purpose.
Therefore, the fact that the genuine representative director's seal of Tsuburaya Enterprises was affixed to the Contract Document strongly indicates the credibility of Defendant's statements cited in (1) above.

(4) Examination of Plaintiffs Allegations regarding the Contract

A. Plaintiff alleges that the signature "Noboru Tsuburaya" in Western characters on the Contract Document is different from his genuine signature.
The Signature Examination Reports (P#3, 4) state that the signature "Noboru Tsuburaya" in Western characters on the Contract Document is different from the signatures of Noboru Tsuburaya on other documents and that it is someone else's signature. However, (i) because these reports used photocopies for examination, factors such as stroke sequence and writing pressure could not be accurately analyzed, (ii) the specimens for comparison do not necessarily match each other in appearance and are not clear specimens. (iii) there is a signature of Noboru Tsuburaya similar to the signature on the Contract Document on the Contract Document(D#5) for Defendant-Produced Movie 1 referred to in 1 (1)B above (although Plaintiff alleges that P#10 is the Contract Document for that transaction, Defendant testified that there were two documents for this transaction with different amounts for tax purposes, and since there are several contracts with different amounts of royalties (D#8, 121) as regards licensing of Defendant-Produced Movie 2 referred to in 1(1)E above, it is not unnatural that there would be several contracts with different royalties for one transaction), (iv) according to the evidence (P#12),

the signature of Noboru Tsuburaya in Chinese characters appearing above his signature in Roman characters in Ken-D#4(Ken-PD#7) was in a joking style and it would be hard to imagine that such a unique signature was forged, the signature of Noboru Tsuburaya in Roman characters in Ken D#4(Ken-PD#7) appears similar to the signature on the Contract, and there are other similar signatures (D#3,6), and (v) although there are a few differences between the subject signature and the specimens which were used in the Examination Reports, there are also similarities between them, and therefore, the Reports are not evidence sufficient in themselves to decide that the subject signature was not Noboru Tsuburaya's.
The reports by the signature examiner in the Thai Litigation (P#8, 28) only state that no similarity is found between the signature on the Contract Document and the comparison specimens based on general characteristics of the characters used, and, therefore, are not sufficient proof that the signature on the Contract Document was a forgery.

B. Plaintiff alleges that a company by the name of "Tsuburaya prod. and Enterprises" does not exist.
However, as recognized above, the phrase "prod, and" was inserted after Noboru Tsuburaya noticed it was needed and no unnaturalness is found in such explanation. Moreover, according to the evidence (D#61, 103), Plaintiff itself uses the abbreviations "Tsuburaya Prod." and "TSUBURAYA PROD." Accordingly, the abovementioned phrase should be understood to mean both Plaintiff and Tsuburaya Enterprises.
Plaintiff alleges that Tsuburaya Enterprises does not own the copyright in the Copyrighted Works and would not have granted rebroadcasting rights in such manner as in the Contract. However, according to the evidence (P#11,12,14),

Tsuburaya Enterprises was entrusted by Plaintiff with the business of licensing rebroadcasting rights for Plaintiffs television movies and was actually granting rebroadcasting rights for the Copyrighted Works, excluding the "Ultra Q" and "Ultraman" series for which the licensing rights had been granted to other companies as described below, and, therefore, it was not unrelated to the Copyrighted Works. Moreover, according to the evidence (D#12-5) and the pleadings, Noboru Tsuburaya was the representative of both companies and the business of the two companies was not necessarily clearly distinguished (as can be seen from the facts described in D below). Consequently, it is not unnatural that Tsuburaya Enterprises was one of the parties to the Contract.

C. Plaintiff alleges that there are errors in the titles and the number of Copyrighted Works in the Contract Document and it is unthinkable that Noboru Tsuburaya, who was the representative of Plaintiff, made such types of errors.

However, from the pleadings it appears that the number of Copyrighted Works was only off by one work for each of the three series and, taken as a whole, can be considered accurate. Moreover, according to the pleadings, although the descriptions "ULTRAMAN1 'ULTRA Q'" and "ULTRAMAN2" were inaccurate, since the actual series are "ULTRA Q" and "ULTRAMAN," from the evidence (D#145) it appears that "ULTRAMAN" was regarded as the second work of the "ULTRA Q" series and, therefore, the descriptions cannot be said to be completely wrong. According to the pleadings, although "ULTRAMAN SEVEN" was not an accurate title, "ULTRAMAN SEVEN' is regarded as one of the "ULTRAMAN" series, so it cannot be said to be completely wrong. According to the pleadings, "RETURN ULTRAMAN' can be understood as "RETURN OF ULTRAMAN" with only the "OP1 missing.

There are no other errors in the titles. Thus, although there are inaccuracies in the titles and the number of Copyrighted Works in the Contract, the descriptions were accurate on the whole and this will all the more support the inference that the Contract Document was genuinely entered into. As to the description "HARUMAN" which should have been "HANUMAN," the court finds as described above. In this connection, Plaintiff points out that Perasit and McLellan used 'HARUMAN1 in their letters, P#16 through 18 (D#135 through 37), but these are not facts concerning the Defendant himself, and are not sufficient to undercut the above finding.

D. Plaintiff alleges that letterhead stationery such as that used for the Contract Document would not be used for a Contract Document like the Contract. However, according to the evidence (P#3, 11), there were cases where Tsuburaya Enterprises made contracts using its letterhead stationery and Plaintiffs documents were prepared using Tsuburaya Enterprises' letterhead. Therefore, the fact that Tsuburaya Enterprises letterhead was used for the Contract Document was not particularly unnatural.

E. Plaintiff alleges that it is unnatural that Defendant never exercised the rights set forth in the Contract Document for 20 or more years after it was executed.

However, from the facts found in 1 above, Defendant showed the Contract Document to Po Wo Film Company when granting the distribution license for "Ultraman Zoffy" to it around 1984 when Noboru Tsuburaya was still alive and, according to the evidence (Testimony of Perasit), Defendant also sold toys and books related to Ultraman in Thailand, so it cannot be found that he did not exercise his rights. According to the evidence (Testimony of Perasit), there were persons other than Defendant who sold toys and books related to Ultraman in Thailand, but according to the evidence (D#142, 147), in Thailand, prior to 1994,

legal protection against copyright infringement was virtually nonexistent and enforcement of such rights was not effective. According to the evidence (P#12), a portion of the Copyrighted Works were televised outside Japan, but this was limited as to areas and time. Consequently, it is highly possible that Defendant would not have been aware of the same and, therefore, it is not unnatural that Defendant did not assert his rights. As found in l (l), Defendant and Perasit met Morishima at the Milan Market. Morishima testified that he met them at the booth where Ultraman Copyrighted Works were displayed, but Defendant denied this when examined by this Court. Accordingly, it cannot be readily said that he met Morishima at the booth where the Ultraman Copyrighted Works were displayed. Even if such was the case, this fact alone does not provide grounds to say that Defendant's failure to exercise his rights was unnatural.

F. Plaintiff alleges that around 1976 Plaintiff had already granted TBS, which was Plaintiffs customer, the exclusive right to license use of the Copyrighted Works outside Japan and TBS, based on such right, did license such rights to other companies and, as such, Plaintiff would not have concluded the Contract Document which conflicted with the existing relationship. According to the evidence (P#9, 11 through 14, D#13, 14) and the pleadings, it is recognized that in 1966 TBS, based on the right granted by Plaintiff, granted United Artists of the United States all rights to the "Ultraman" part of the Copyrighted Works on a worldwide (except Japan) basis and in all media for a term of twenty years as well as sole and exclusive distribution rights for "Ultra Q" on a worldwide (except Japan) basis and in all media for a term of 20 years.

Merchandising rights for the Ultraman Copyrighted Works, except to the extent granted to United Artists as described above, belonged to Nichion, which was a TBS subsidiary. Consequently, the terms of the Contract Document did conflict with these contractual relationships. However, it is not clear to what extent United Artists was actively engaged in licensing rights to "Ultraman" and "Ultra Q," and the same is true with respect to Nichion's activities outside Japan. According to the evidence (P#9, D#134, Testimony of Tsuneyuki Morishima) and the pleadings, United Artists had first refusal rights as to episodes produced in addition to the 26 episodes of "Ultraman," but did not exercise such right. Thus, putting aside legal technicalities, it is questionable to what extent that Contract Document was practically effective, and the same is true with respect to the Contract Document with Nichion so far as overseas markets are concerned. Given these facts and the facts found above regarding the circumstances surrounding Noboru Tsuburaya in 1966, it is not unthinkable that the Contract, in conflict with the then existing contracts, was entered into.

G. Plaintiff alleges that since the copyright and exploitation rights as to the Ultraman Copyrighted Works were Plaintiffs sole and biggest assets, it is inconceivable that the exploitation rights should be granted to Defendant without clear consideration.
However, as found above, there was consideration for the Contract, and from the facts recognized above, as of 1976, it was unclear whether business based on the Copyrighted Works would succeed outside Japan and it cannot be considered that the rights to the Copyrighted Works had a high economic value outside Japan.

H. Plaintiff alleges that it is not possible that a Contract Document such as the Contract Document would be concluded without the approval of Toho which owned 60% of Plaintiffs stock.

However, Noboru Tsuburaya had the authority to execute contracts as the representative of Plaintiff and, considering the circumstances surrounding Noboru Tsuburaya around 1976, it should not necessarily be considered unnatural that he secretly executed the Contract Document without Toho's approval. Consequently, it cannot be said that the abovementioned relationship has any effect on the above findings.

(5) Regarding the Letter

From the facts found in 1 above, Plaintiffs motive in issuing the Letter included restoration of Defendant's reputation and honor in accordance with Defendant's request in order to prevent Defendant from asserting his rights based on the Contract Document by entering into an agency agreement with Defendant for the five countries including Thailand. However, the Letter was sent before concluding any agreement appointing Defendant agent for the five countries including Thailand or any agreement that Defendant would refrain from asserting the rights based on the Contract Document and, moreover, its content affirmed the existing terms of the Contract. In addition, with respect to the dissolution of Ultracom, in accordance/with the facts found in 1(2) above, during the negotiations with Defendant regarding the Letter, Ugawa went to Honolulu on July 8, 1996 to obtain Mike Ikeda's approval to close Ultracom, told Taritero on the following day in Los Angeles that Ultracom would be closed as of August 15 of the same year, and it was dissolved on the said date. This cannot be considered unrelated to the negotiations with Defendant. Thus, it is surmised that under such disadvantageous conditions as described above, Plaintiff had no choice but to issue the Letter.
In the evidence (P#13), it is stated that if Plaintiff agreed to the Contract Document appointing Defendant agent for the five countries including Thailand, Defendant would agree to refrain from asserting his rights based on the Contract. Ugawa gave testimony to the same effect and Plaintiff produced a hand-drawn map (P#19, 25) showing the positions of the five countries including Thailand allegedly drawn by Perasit as supporting evidence. However, as found in 1(2) above, there is nothing in the documents sent by Defendant during the relevant period indicating

that Defendant agreed to the above arrangement, but, rather, as found in 1(2) G above, Perasit asked for disclosure of Ultracom's licenses not only in the five countries but in other countries as well. Moreover, Perasit denied in his testimony that he drew the map referred to above and as the map does not accurately show the positions of Thailand and the other surrounding countries, it is doubtful that Perasit; who is a Thai citizen, drew it. Even if he did so, it does not necessarily mean that Defendant agreed to Plaintiffs proposal. Thus, it cannot be said that Defendant had agreed that he would stop asserting his rights based on the Contract Document if Plaintiff entered into a Contract Document with Defendant making Defendant agent for the five countries including Thailand. The above circumstances surrounding the Letter should be taken as factors disadvantageous to Plaintiff in deciding the genuineness of the Contract.

(6) From the above, it is found that the Contract Document was genuinely formed and it can be said that it was genuinely entered into.

4. Regarding the Substance of the Contract

(1) The Contract Document, under its title "LICENSE GRANTING AGREEMENT', identifies the subject movies in Article 1, describes the subject rights in Article 2 under the heading, "Territory and Term of License" as "Exclusive rights to all territories except Japan for indefinite period,"! and lists in Article 3, under the heading "Scope of Licenses," the rights including "Distribution right" and "Reproduction right" of the movies identified in Article 1. Further, the rights Listed in Article 3 include "Copyright" together with "Distribution right." However, from the facts found above, overall the Contract Document is interpreted as granting exclusive exploitation rights as to the movies identified in Article 1 and cannot be interpreted as an agreement to assign the copyright. Therefore, it cannot be said that the copyright in the Copyrighted Works in countries outside Japan was transferred to Defendant by virtue of the Contract.

(2) Defendant alleges that, when the Contract Document was executed,

Plaintiff granted Defendant not only the copyright to the Copyrighted Works, but also the copyright and exclusive exploitation rights as to future Copyrighted Works in the Ultraman series. In Defendant's affidavit (D#10) there is a statement that the meaning of Article 3.3 included production rights for new Ultraman Copyrighted Works, and Defendant testified as such before this Court. However, these written and oral statements cannot be believed, because they contradict the fact that the Contract Document identified the movies in Article 1 and provided for the "Reproduction right" in Article 3.3. Since there is no other sufficient evidence to support Defendant's allegations on this point, Defendant's allegations are not accepted.

5. Regarding Copyright Ownership and Exploitation Rights as to the Copyrighted Works

According to the uncontested facts in SECOND, 1(2) above, it is recognized that Plaintiff acquired the copyright to the Copyrighted Works. As discussed in 4(1) above, it cannot be found that the copyright outside Japan was thereafter transferred to Defendant. Moreover, judging from the substance of the Letter, there is no basis to find that the copyright outside Japan was transferred to Defendant by virtue of the Letter. Nor are there any facts to find that the copyright inside Japan was transferred to Defendant. Thus, Defendant does not own the copyright to the Copyrighted Works either inside or outside Japan.
Nonetheless, because the Contract Document was genuinely formed, this court finds that Defendant owns exclusive exploitation rights as to the Copyrighted Works outside Japan.

6. Regarding Issue (2)

(1) In accordance with the above, since Defendant does not own the copyright to the Copyrighted Works inside or outside Japan, Chaiyo's act of sending the Warning Letters to Plaintiffs customers in Japan, with respect to that part of the Warning Letter which claimed that Chaiyo owned the copyright to the Copyrighted Works, constitutes the act of proclaiming "false facts." There is no dispute that Plaintiff and Defendant are in competition with each other and, therefore, the acts of proclaiming the aforementioned "false facts" harms Plaintiffs business reputation.

Thus, these acts fall in the ambit of Article 2, paragraph 1, item 14 of the Unfair Competition Law and, due to the fact that Defendant alleges in the instant litigation that he owns the copyright to the Copyrighted Works, there is a fear that he would engage in such acts. Therefore, Plaintiffs claim for injunctive relief as to such acts has merit.

(2) Nonetheless, in accordance with the findings as above, Defendant owns exclusive exploitation rights as to the Copyrighted Works outside Japan. Since Defendant runs Chaiyo and Article 3.8 of the Contract Document provides that Defendant may assign to third parties any of the rights granted thereunder, that part of the Warning Letters which states that Chaiyo owns the exclusive exploitation rights cannot be considered a proclamation of "false facts." Thus, Plaintiffs claim for injunctive relief as to such facts, which are not "false facts," is meritless.

(3) Although the Warning Letters contained "false facts" as found in accordance with (1) above and the act of sending the Warning Letters falls within the ambit of Article 2, paragraph 1, item 14 of the Unfair Competition Law, since the Contract Document included the word "Copyright" as found in 4(1) above, the court does not find that there was intentional misconduct or negligence on the part of Defendant. Therefore, Plaintiffs claims for damages either in tort or under Article 4 of the Unfair Competition Law are meritless.

7. Conclusion

In accordance with the above, Plaintiffs claims, to the extent set forth in the HOLDINGS, have merit, but the remainder of the claims are without merit.

TOKYO DISTRICT COURT, CIVIL FOURTY-SEVENTH DIVISION

Presiding Judge: Yoshuyuki Mori

Judge: Hiroyuki Naito

Judge: Hiroshisati Ueda

EXHIBIT 1

EXHIBIT 2